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South Dakota
Labor Bulletin

MARCH 1985 PUBLISHED APRIL 1985

Each month the South Dakota Department of Labor publishes and analyzes statistics on the state's employed and unemployed -- who together comprise the South Dakota labor force. These important statistics are closely watched indicators of the economic well-being of the state. The following is a brief explanation of how the number of employed and unemployed and the unemployment rate are computed, a look at the seasonality of employment, and other factors that can cause the number of employed and unemployed to rise and fall.

Employed, Unemployed and the Unemployment Rate

Labor statistics, such as the number of workers and the number of people searching for work, are obtained from a survey called the Current Population Survey (CPS) conducted monthly by the Bureau of the Census. Based on the results of the sample survey, every person age 16 years or over in the civilian, non-institutional population, is classified as either employed, unemployed or not in the labor force. In South Dakota and 39 other states, the CPS sample alone is not large enough to provide monthly estimates of employed and unemployed. Therefore, data from two other major sources, the Unemployment Insurance (UI) System and the Current Employment Statistics (CES) Program, are used in conjunction with the CPS to derive monthly data.

The CES program is a monthly survey of employers (about 1,900 in South Dakota) which provides current estimates of all nonfarm payroll employment in the state. Following is a list of factors used to determine employment in addition to the results of the CES survey:

a) agriculture workers;
b) non-agricultural self-employed and unpaid family workers; and
c) domestics.

Total employment estimates are made using the CPS and CES survey results in addition to the factors listed.

Following determination of the number of employed, an estimate of the total number of unemployed is prepared. There are many types of job seekers that make up the number of unemployed in addition to those people receiving unemployment compensation or those people walking into Job Service offices seeking employment. Following is a list of people who are not receiving unemployment insurance benefits but are counted among the unemployed:

a) Persons who remain unemployed after exhausting unemployment benefits;

b) Former workers who delay or never file unemployment claims, but are looking for work;

c) Those who have been denied benefits because they are not qualified to receive them;

d) Unemployed Federal or Railroad workers;

e) Unemployed domestic workers, agricultural workers, and self-employed and unpaid family workers;

f) Unemployed individuals not covered by unemployment insurance programs such as elected officials and former employees of certain non-profit organizations; and

g) Those entering the labor market for the first time (students for example) and those who have been out of the labor force for a period of time (housewives for example), who have not yet found employment.

The number of unemployed is determined by the factors listed above as well as from results of the CPS. After obtaining an estimate for total employed and unemployed, the two are summed to arrive at an estimate of the labor force. The unemployment rate is derived by dividing the number of unemployed by the labor force and is expressed as a percent.

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Seasonality of Employment and Unemployment

The graphs below show the seasonality of employment and unemployment that normally occurs in South Dakota. Table A exhibits the increases and decreases of the unemployment rate by month for 1984. Although different rates are recorded in different years, the seasonal pattern evident in this graph normally occurs. Unemployment historically rises in the winter and declines in the summer.

As mentioned, employment is also seasonal and the construction industry is a good example of how this pattern takes place in South Dakota. Table B below demonstrates 1984 monthly employment levels in the construction industry. During the summer and fall (June through October) many construction jobs become available and this industry is usually at its peak employment for the year. As the weather gets colder there is less construction activity, causing employment to decline and unemployment to rise in the construction industry until warm weather returns.

Other Factors Influencing the Unemployment Rate

An increase in the unemployment rate, when seasonal patterns indicate the rate could be decreasing, signifies a counter seasonal movement that can be caused by several individual factors, or a combination of factors. At times, the rate may be forced upward by a slowdown in the economy that usually results in decreased employment and an increase in the number of unemployed. However, when there is increased unemployment in addition to an increase in the number of employed, it is an indicator that workers are entering the job market at a faster pace than they can be absorbed. Some of these people may be searching for employment for the first time, while others may have dropped out of the labor force at an earlier time and are now re-entering the job market because they feel they have a better chance of finding employment.

In Conclusion

Determining the number of workers in South Dakota, the number of unemployed and the subsequent computation of the size of the labor force and unemployment rate, is a carefully measured process that is consistent from month-to-month and year-to-year. Just as important as the computations is the interpretation of these statistics. Evaluating the movement and trends of these figures as a group, in conjunction with the known or expected patterns they follow, can often lead to an insight and perspective not possible when they are examined individually.

TABLE A
UNEMPLOYMENT RATES BY MONTH
SOUTH DAKOTA--1984

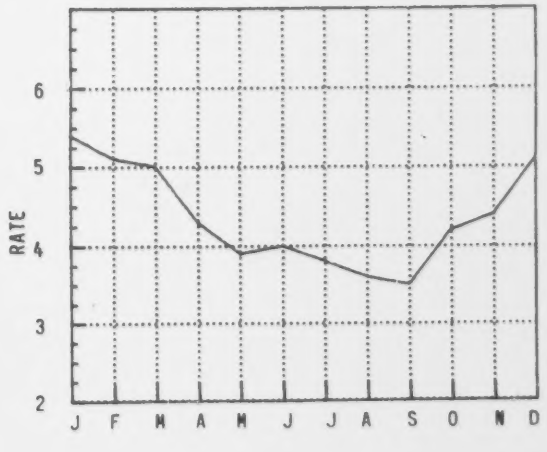
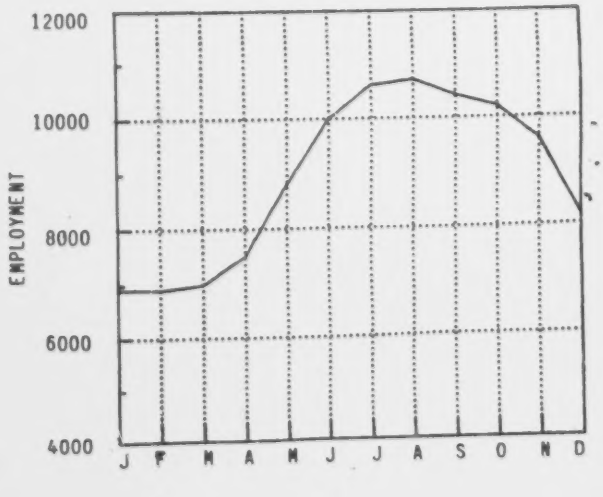


TABLE B
CONSTRUCTION EMPLOYMENT BY MONTH
SOUTH DAKOTA --1984



South Dakota Labor Market in March 1985

Nonagricultural wage and salary employment in the state increased to 240,300 in March 1985. That figure is 1,600 jobs ahead of the one-year-ago March level and represents an increase of 2,600 jobs over one month earlier nonfarm job totals.

Several major industries posted gains during the 12 month period ending March 1985. The finance/insurance/real estate industry grew by 4.7 percent, adding 600 jobs, while the services industry added 1,200 jobs for a growth rate of 2.1 percent. The growth in the services industry took place in both the educational/membership/social and hotels/amusements/personal/business sectors with additional jobs of 700 and 300 respectively. This diverse industry employed 57,400 workers in March and accounted for approximately 24 percent of all nonfarm workers in the state. Growth in the trade industry, which now employs about 26 percent of nonfarm workers, was based on the strength of the retail sector. This sector has added 1,200 jobs to South Dakota's economy since March 1984.

Both the transportation/public utilities and construction industries contributed to the state's employment growth. The transportation/public utilities industry increased employment by 400 for a growth rate of 3.3 percent while construction employment rose by 300 or 4.3 percent.

Three industries posted declines in employment from March 1984 to March 1985. Mining declined slightly with a loss of 100 jobs while government employment dropped by 400. Reduced demand for durable goods caused manufacturing rosters to decline by 900 when compared to one-year-ago levels.

A review of month-to-month employment changes reveals that every major industry (except mining which remained constant) played a role in the addition of 2,600 people to the state's non-farm wage and salary payrolls. The most notable changes occurred in the trade industry, where 800 jobs were added between February and March 1985, and in the services industry which added 700 jobs. Construction employment increased by 200 jobs during the same time.

Manufacturing employment rose by 100 jobs from February to March and the average weekly hours worked climbed to 42.5 hours in March--which was up 1.4 hours from the previous month.

The unemployment rate in South Dakota dipped to 5.9 percent in March from the 6.1 percent rate recorded in February. The number of employed in the state climbed 7,300 from February to March 1985 while the number of unemployed decreased by 200 to 20,200. The fact, that the number of employed increased by a much larger amount than the unemployed decreased, is an indication that there are many people now entering the labor market who recently have not been active participants in the labor force.

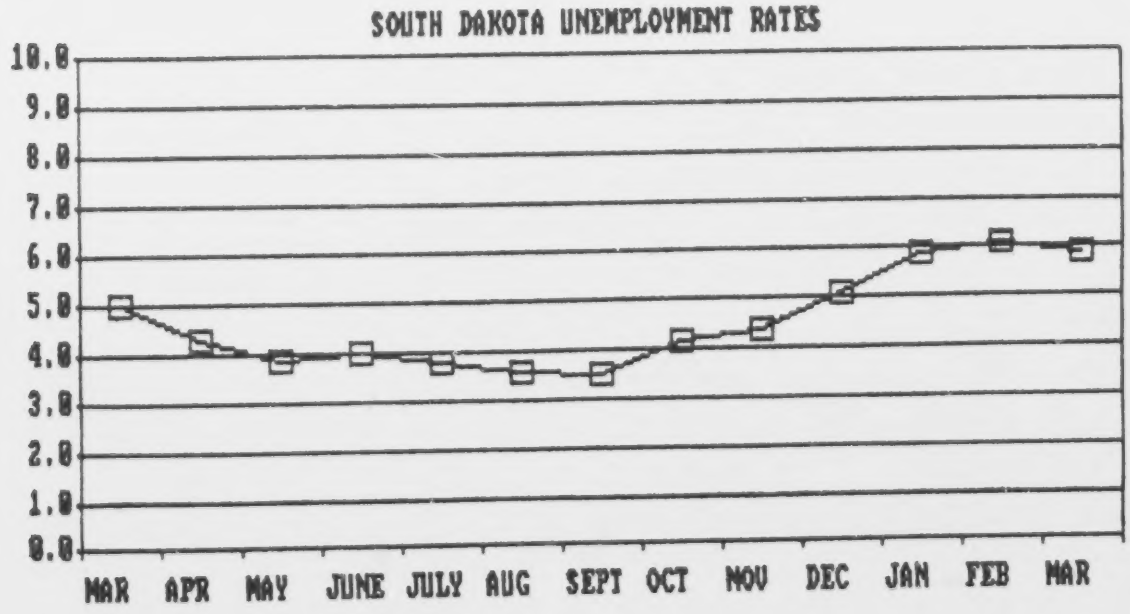
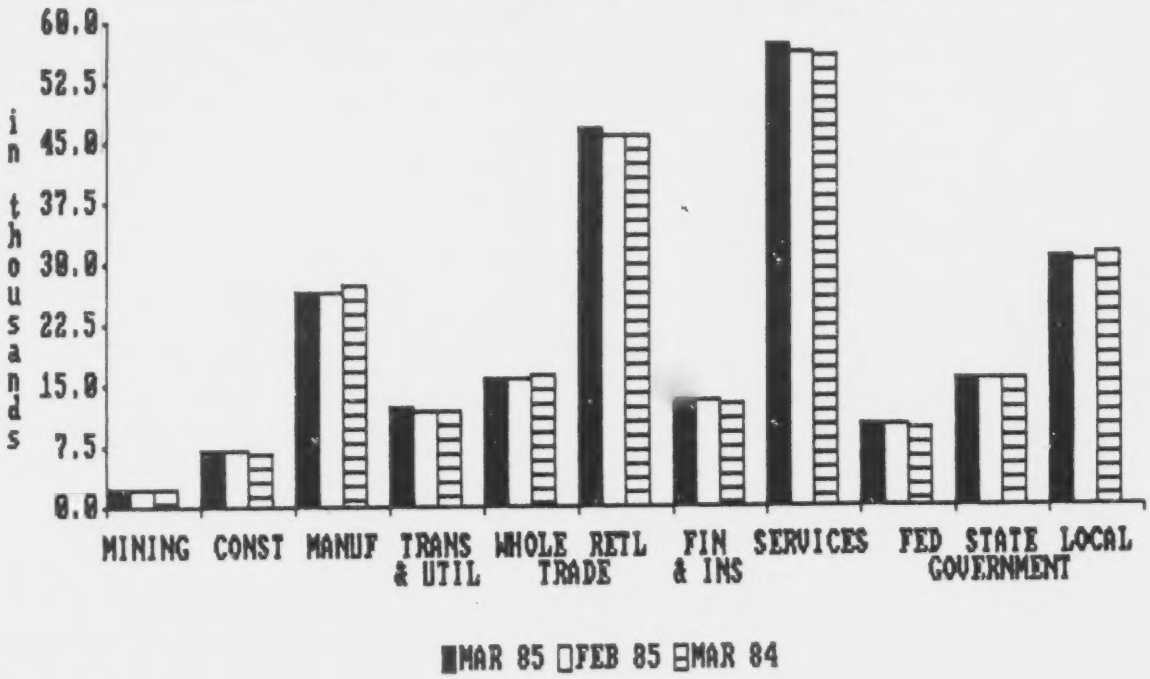


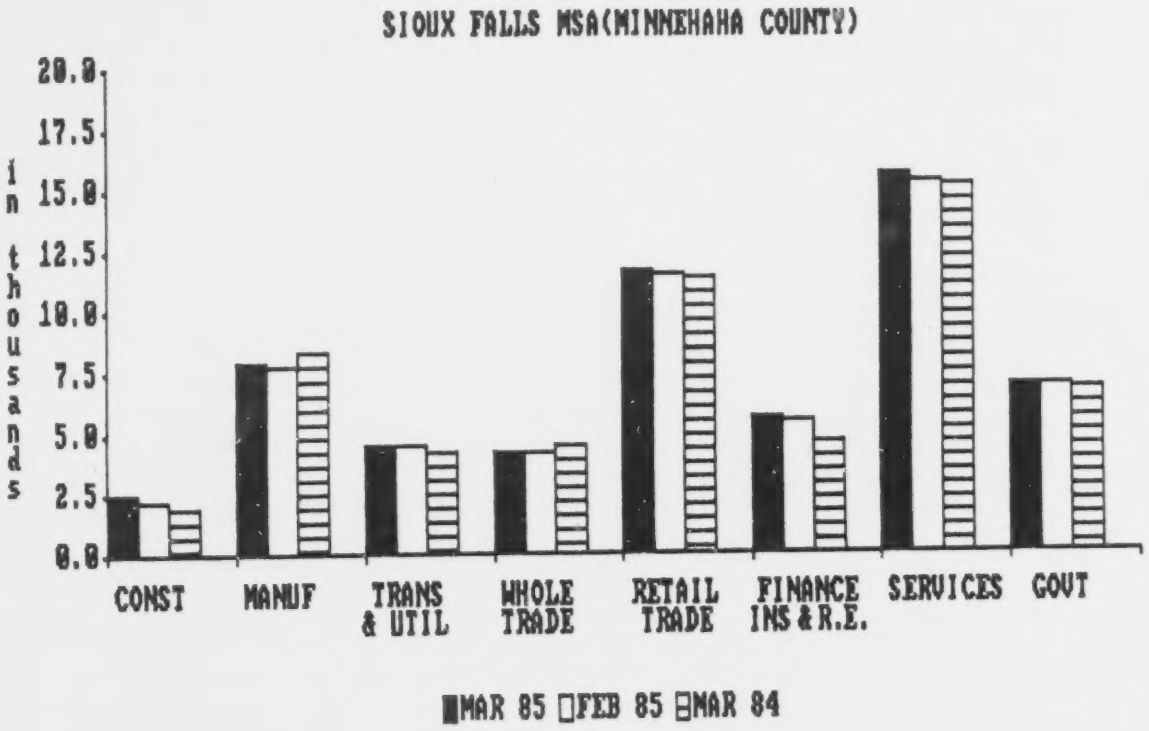
TABLE 1

SOUTH DAKOTA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT



	MAR 1985	FEB 1985	MAR 1984	Percent Change From Last Month	Percent Change From Last Year
TOTAL	240.3	237.7	238.7	1.1	.7
MINING	2.4	2.4	2.5	.0	-4.0
CONSTRUCTION	7.3	7.1	7.0	2.8	4.3
MANUFACTURING	26.7	26.6	27.6	.4	-3.3
Durable Goods	13.8	13.9	15.0	-.7	-8.0
Fabricated Metals & Machinery	8.7	9.0	9.9	-3.3	-12.1
Nondurable Goods	12.9	12.7	12.7	1.6	1.6
Food & Kindred Products	7.8	7.6	7.5	2.6	4.0
Paper, Printing & Publishing	2.6	2.7	2.5	-3.7	4.0
TRANSPORTATION AND PUBLIC UTILITIES	12.4	12.2	12.0	1.6	3.3
Transportation	7.3	7.2	7.0	1.4	4.3
Communication & Public Utilities	5.1	5.0	5.0	2.0	2.0
WHOLESALE AND RETAIL TRADE	63.0	62.2	62.3	1.3	1.1
Wholesale Trade	16.0	15.9	16.4	.6	-2.4
Durable Goods	6.7	6.8	7.2	-1.5	-6.9
Nondurable Goods	9.3	9.1	9.3	2.2	.0
Retail Trade	47.1	46.3	45.9	1.7	2.6
FINANCE, INSURANCE AND REAL ESTATE	13.4	13.3	12.8	.8	4.7
SERVICES	57.4	56.7	56.2	1.2	2.1
Hotels, Amuse., Pers. & Business	14.0	13.5	13.7	3.7	2.2
Medical and Health	22.3	22.2	22.4	.5	-.4
Educational, Membership & Social	17.7	17.7	17.0	.0	4.1
GOVERNMENT	57.7	57.3	58.1	.7	-.7
Federal	10.3	10.3	10.1	.0	2.0
State	16.2	16.3	16.2	-.6	.0
State Education	8.2	8.1	8.3	1.2	-1.2
Local	31.2	30.7	31.7	1.6	-1.6
Local Education	18.4	18.0	19.0	2.2	-3.2

TABLE 1 (Continued)



	MAR 1985	FEB 1985	MAR 1984	Percent Change From Last Month	Percent Change From Last Year
TOTAL	60.3	59.3	58.3	1.7	3.4
1/ MINING	--	--	--	--	--
CONSTRUCTION	2.5	2.3	2.0	8.7	25.0
MANUFACTURING	8.0	7.9	8.5	1.3	-5.9
TRANSPORTATION AND PUBLIC UTILITIES	4.7	4.7	4.4	.0	6.8
TRADE	16.2	16.0	16.2	1.3	.0
Wholesale Trade	4.3	4.3	4.7	.0	-8.5
Retail Trade	11.9	11.7	11.5	1.7	3.5
FINANCE, INSURANCE AND REAL ESTATE	5.8	5.7	4.8	1.8	20.8
SERVICES	15.8	15.5	15.4	1.9	2.6
GOVERNMENT	7.2	7.1	7.0	1.4	2.9

The figures in Table 1 include almost all nonfarm wage earners (full-time and part-time) but exclude the self-employed. They are derived from a monthly sample survey of South Dakota nonagricultural establishments and include workers on the payroll for the week including the 12th of the month. This table compares the current month's employment totals of the major industry groups to the totals of the previous month and year.

1/ Mining employment not published, employment less than 100 workers.

TABLE 2

LABOR FORCE / EMPLOYMENT / UNEMPLOYMENT

	MARCH 1985 (1)					MARCH 1984				
	Labor Force(2)	Employment	Unemployment	Rate		Labor Force(2)	Employment	Unemployment	Rate	
United States	114,394,000	105,768,000	8,625,000	7.5	(3)	111,828,000	102,770,000	9,057,000	8.1	(3)
South Dakota	341,200	321,000	20,200	5.9		334,100	317,500	16,600	5.0	
Sioux Falls MSA	70,879	67,113	3,766	5.3		68,592	65,619	2,973	4.3	
Aurora	1,356	1,318	38	2.8		1,415	1,374	41	2.9	
Beadle	9,234	8,787	447	4.8		9,122	8,695	427	4.7	
Bennett	1,314	1,278	36	2.7		1,354	1,306	48	3.5	
Bon Homme	3,197	2,966	231	7.2		3,326	3,185	141	4.2	
Brookings	13,772	12,895	877	6.4		13,764	13,054	710	5.2	
Brown	19,698	18,503	1,195	6.1		19,533	18,522	1,011	5.2	
Brule	2,890	2,721	169	5.8		2,841	2,699	142	5.0	
Buffalo	557	434	123	22.1		452	404	48	10.6	
Butte	3,695	3,500	195	5.3		3,616	3,512	104	2.9	
Campbell	870	812	58	6.7		824	752	72	8.7	
Charles Mix	3,628	3,419	209	5.8		3,732	3,464	268	7.2	
Clark	1,729	1,612	117	6.8		1,868	1,718	150	8.0	
Clay	5,697	5,379	318	5.6		5,877	5,579	298	5.1	
Codington	11,160	10,323	837	7.5		10,138	9,563	575	5.7	
Corson	1,306	1,183	123	9.4		1,301	1,207	94	7.2	
Custer	2,375	2,194	181	7.6		2,408	2,266	142	5.9	
Davison	9,492	9,076	416	4.4		9,380	9,038	342	3.6	
Day	3,087	2,811	276	8.9		3,109	2,824	285	9.2	
Deuel	1,927	1,692	235	12.2		2,014	1,763	251	12.5	
Dewey	1,765	1,592	173	9.8		1,881	1,718	163	8.7	
Douglas	1,690	1,587	103	6.1		1,779	1,712	67	3.8	
Edmunds	1,800	1,722	78	4.3		1,917	1,834	83	4.3	
Fall River	3,106	2,941	165	5.3		3,271	3,119	152	4.6	
Faulk	1,178	1,142	36	3.1		1,291	1,234	57	4.4	
Grant	4,462	4,110	352	7.9		4,426	4,156	270	6.1	
Gregory	2,353	2,283	70	3.0		2,440	2,381	59	2.4	
Haakon	1,117	1,067	50	4.5		1,218	1,179	39	3.2	
Hamlin	2,117	1,960	157	7.4		1,987	1,869	118	5.9	
Hand	1,826	1,754	72	3.9		1,943	1,873	70	3.6	
Hanson	996	944	52	5.2		1,018	948	70	6.9	
Harding	725	713	12	1.7		639	633	6	0.9	
Hughes	8,147	7,813	334	4.1		7,919	7,616	303	3.8	
Hutchinson	4,146	3,945	201	4.8		4,154	3,993	161	3.9	
Hyde	764	718	46	6.0		792	770	22	2.8	
Jackson	1,098	1,003	95	8.7		1,022	946	76	7.4	
Jerauld	1,113	1,097	16	1.4		1,184	1,158	26	2.2	
Jones	566	492	74	13.1		595	525	70	11.8	
Kingsbury	3,523	3,352	171	4.9		3,349	3,240	109	3.3	
Lake	6,034	5,581	453	7.5		5,526	5,265	261	4.7	
Lawrence	9,386	8,974	412	4.4		9,540	9,033	507	5.3	
Lincoln	6,468	6,029	439	6.8		6,157	5,832	325	5.3	
Lyman	1,342	1,209	133	9.9		1,364	1,262	102	7.5	
McCook	2,711	2,474	237	8.7		2,806	2,645	161	5.7	
McPherson	1,429	1,355	74	5.2		1,490	1,401	89	6.0	
Marshall	1,942	1,747	195	10.0		1,993	1,825	168	8.4	
Meade	6,327	5,927	400	6.3		6,027	5,707	320	5.3	
Mellette	727	638	89	12.2		729	679	50	6.9	
Miner	1,681	1,588	93	5.5		1,667	1,576	91	5.5	
Minnehaha	70,879	67,113	3,766	5.3		68,592	65,619	2,973	4.3	
Moody	3,686	3,487	199	5.4		3,544	3,385	159	4.5	
Pennington	42,317	40,176	2,141	5.1		39,899	38,143	1,756	4.4	
Perkins	2,151	2,099	52	2.4		2,155	2,054	102	4.7	
Potter	1,772	1,710	62	3.5		1,734	1,671	63	3.6	
Roberts	4,231	3,736	495	11.7		4,151	3,772	379	9.1	
Sanborn	1,221	1,143	78	6.4		1,280	1,200	80	6.3	
Shannon	3,048	2,744	304	10.0		2,850	2,604	246	8.6	
Spink	3,429	3,276	153	4.5		3,579	3,438	141	3.9	
Stanley	1,559	1,462	97	6.2		1,317	1,228	89	6.8	
Sully	637	623	14	2.2		696	622	74	10.6	
Todd	2,194	2,027	167	7.6		2,073	1,927	146	7.0	
Tripp	3,063	2,964	99	3.2		3,046	2,937	109	3.6	
Turner	3,805	3,568	237	6.2		3,907	3,637	270	6.9	
Union	5,286	4,755	531	10.0		5,425	5,122	303	5.6	
Walworth	2,997	2,836	161	5.4		3,001	2,825	176	5.9	
Yankton	10,458	9,770	688	6.6		9,657	9,271	386	4.0	
Ziebach	973	915	58	6.0		994	968	26	2.6	

(1) Preliminary data subject to revision.

(2) Labor Force estimates include employed and unemployed civilians 16 years old and older by place of residence.

(3) The seasonally adjusted rates which were announced by the national government were 7.3 and 7.8. The data in this table are not seasonally adjusted.

TABLE 3

HOURS AND EARNINGS PRODUCTION WORKERS*

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	MAR 1985	FEB 1985	MAR 1984	MAR 1985	FEB 1985	MAR 1984	MAR 1985	FEB 1984	MAR 1984
South Dakota Statewide									
Manufacturing.....	$316.63	$303.73	$297.49	42.5	41.1	41.9	$ 7.45	$ 7.39	$ 7.10
Durable Goods.....	302.74	289.44	282.49	41.7	40.2	41.3	7.26	7.20	6.84
Nondurable Goods.....	332.01	320.38	310.37	43.4	42.1	42.4	7.65	7.61	7.32
Sioux Falls SMSA									
Manufacturing.....	$339.71	$323.52	$310.91	46.6	44.5	44.8	$ 7.29	$ 7.27	$ 6.94

*Average hours and earnings for production-related workers.

The figures in this table are for production-related workers in the manufacturing industry. The earnings estimates are based on gross pay before deductions and include pay for overtime, holidays, vacations, and sick leave. They exclude bonuses (unless earned and paid regularly each pay period).

TABLE 4

CONSUMER PRICE INDEX

ALL URBAN CONSUMERS

				Percent Change From	
	FEB 1985	JAN 1985	FEB 1984	Last Month	Last Year
1967=100					
All Items.....	317.4	316.1	306.6	.4	3.5
Food & Beverages....	301.4	299.3	294.2	.7	2.4
Housing.....	343.6	342.0	331.0	.5	3.8
Apparel.....	201.8	199.8	196.2	1.0	2.9
Transportation.....	314.3	314.7	305.8	-.1	2.8
Medical Care.....	393.8	391.1	373.2	.7	5.5
Entertainment.....	261.3	261.0	251.5	.1	3.9

The Consumer Price Index is a widely watched national indicator of inflation. It is a measure of change, over time, in the prices of goods and services in major expenditure groups typically purchased by urban consumers. It measures the change in prices by comparing what a sample "market basket" of goods and services costs today with what the same sample "market basket" cost at an earlier date.

TABLE 5

CHARACTERISTICS OF THE INSURED UNEMPLOYED[1] - STATEWIDE

	Number			Percent		
	MAR 1985	FEB 1985	MAR 1984	MAR 1985	FEB 1985	MAR 1984
Sex, Total	4,703	5,173	3 481	100.0	100.0	100.0
Male	3,240	3,578	2 667	68.9	69.2	76.6
Female	1,463	1,595	814	31.1	30.8	23.4
Race, Total	4,703	5,173	3 481	100.0	100.0	100.0
White	4,393	4,860	3 276	93.4	93.9	94.1
Nonwhite	310	313	205	6.6	6.1	5.9
Age, Total	4,703	5,173	3 481	100.0	100.0	100.0
Under 45	3,706	4,081	2 606	78.8	78.9	74.9
Over 45	997	1,092	875	21.2	21.1	25.1
[2] Industry, Total	4,703	5,173	3 481	100.0	100.0	100.0
Mining	156	163	124	3.3	3.2	3.6
Construction	1,329	1,518	1 159	28.3	29.3	33.3
Manufacturing	1,203	1,407	612	25.6	27.2	17.6
Transportation & Public Utilities	175	182	153	3.7	3.5	4.4
Trade	886	918	691	18.8	17.7	19.9
Finance, Insurance & Real Estate	91	85	62	1.9	1.6	1.8
Services	703	714	458	14.9	13.8	13.2
Government	160	186	222	3.4	3.6	6.4
[2] Occupation, Total	4,703	5,173	3 481	100.0	100.0	100.0
Professional & Managerial	364	396	346	7.7	7.7	9.9
Clerical and Sales	569	600	416	12.1	11.6	12.0
Services	453	430	390	9.6	8.3	11.2
Processing	108	145	170	2.3	2.8	4.9
Machine Trade	192	213	112	4.1	4.1	3.2
Benchwork	802	922	131	17.1	17.8	3.8
Structural Work	1,533	1,748	1 343	32.6	33.8	38.6
Other	682	719	573	14.5	13.9	16.5
Duration of Current Unemployment						
Total	4,703	5,173	3 481	100.0	100.0	100.0
1-2 Weeks	470	852	351	10.0	16.5	10.1
3-4 Weeks	459	755	317	9.8	14.6	9.1
5-14 Weeks	2,599	2,726	1 716	55.3	52.7	49.3
15 Weeks & Over	1,175	840	1 097	25.0	16.2	31.5

1 The insured unemployed are those unemployed persons who had worked for employers covered by South Dakota's Unemployment Insurance Laws, and who are eligible for unemployment compensation.

2 Refers to industry and occupation involvement prior to unemployment.

Unemployment Rates by State, February 1985

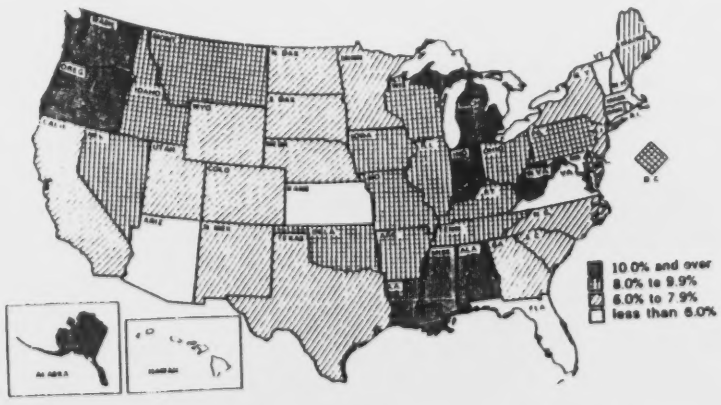


TABLE 6

SELECTED LABOR DEPARTMENT ACTIVITIES - STATEWIDE

	MAR. 1985	FEB. 1985	MAR. 1984	Percent Change From Last Month	Percent Change From Last Year
UNEMPLOYMENT INSURANCE					
A. Initial Claims	1,990	3,061	2,539	-35.0	-21.6
B. Weeks Claimed	19,728	21,679	14,351	-9.0	37.5
C. Amount of Benefit Payments	$ 1,765,744	$ 1,896,520	$ 1,478,598	-6.9	19.4
D. Unemployment Trust Fund Balance	$24,562,900	$25,995,200	$14,520,500	-5.5	69.2
JOB SERVICE					
E. Applicants Available (New and Renewals)	6,434	5,292	6,730	21.6	-4.4
F. Nonag Placements	2,778	1,765	2,882	57.4	-3.6
G. Nonag Job Openings	3,875	2,301	3,114	68.4	24.4

The data in this table are taken from the records of the State unemployment insurance program and the State Job Service system.

TABLE 7

JOINT JOB SERVICE AND SOCIAL SERVICE ACTIVITY

Aid to Families with Dependent Children (ADC) Recipients	March 1985 People	March 1985 Savings in Dollars
H. Employed	38	$9,124
I. Partial Employment	85	$5,707

The data in this table are taken from the records of the South Dakota Department of Social Services.

A. Initial Claims - The total number of first claims for unemployment compensation.

B. Weeks Claimed - The total number of weeks for which claimants received compensation under the State Unemployment Insurance Program.

C. Amount of Benefit Payments - The total amount of money paid to claimants through our State Program.

D. Unemployment Trust Fund Balance - The fund to which all required Unemployment Insurance Taxes are paid and from which all benefits to claimants are paid.

E. Applicants Available (New and Renewals) - The total number of different individuals who registered or renewed their applications for work at Job Service offices in the State.

F. Nonag Placements - A count of the number of times during the month that Job Service applicants were hired by nonfarm employers.

G. Nonag Job Openings - A count of new job openings received during the month by South Dakota Job Service offices from nonfarm employers.

H. Employed - The number of people no longer needing ADC and the dollars saved due to their employment.

I. Partial Employment - The number of people with reduced ADC payments and the dollars saved due to their partial employment.

The Labor Market Information Center of the South Dakota Department of Labor collects, analyzes and publishes information concerning the economy, labor market and population characteristics. This information can be very important to economic developers; social and training program planners; business, education and government administrators.

LABOR MARKET INFORMATION AVAILABLE

DID YOU KNOW???

DID YOU KNOW:

American urban households spent about half of their total expenditures, gross income less taxes, on housing and transportation according to results from the Consumer Expenditure Survey. This survey interviews approximately 5,000 independent households every three months. The above and following information is taken from the first two years (1980-1981) of the survey.

- About 85 percent of households owned at least one vehicle, with the average being almost two vehicles per household. Gasoline accounted for about one-third of total transportation costs.

- Transporation expenditures as a share of total expenditures, approximately 20 percent, were higher for the younger consumers -- about 23 percent -- than for the older consumers -- about 16 percent.

- People owned their homes in about 60 percent of the households. They spent 27 percent of their housing costs on utilities and public services. Renters spent about 20 percent of housing costs on utilities. Total housing costs for owners and renters accounted for nearly 30 percent of total expenditures.

- Households in the over 65 age group spent a higher proportion of their expenditures than did any other age group on each of three categories: food, housing and health care. The under 25 age group spent a higher proportion than did other age groups on the categories of education, transportation and entertainment.

Source: April 1985 Data User News, Bureau of the Census, U.S. Department of Commerce.

For this and other information contact:

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